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U.S. House of Representatives Committee on Resources

Washington, BC 20515

September 2, 2003

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> Honorable Gale A. Norton, Secretary U.S. Department of Interior 1849 C Street, NW Washington, D.C. 20240

Dear Secretary Norton:

I am writing to express my grave concern about a proposed rule the Minerals Management Service (MMS) published on August 20, 2003, which would amend existing regulations for the valuation of crude oil produced from federal leases for royalty purposes.

Due to the complexity and significance of the proposed changes to the federal royalty oil valuation regulations, the 30-day comment period proposed by the Department is insufficient to allow for meaningful public comment. I respectively urge you to extend the public comment period be so that the citizens, affected States, and Members of Congress have time to properly evaluate and comment on the rule.

As written, the proposed rule could seriously jeopardize the federal government's ability to collect the appropriate amount of royalties from oil taken from federal lands and waters. In an era of increasing federal and State budget deficits, we cannot afford to play "fast and loose" with our Nation's valuable energy resources, especially when the affected States rely on revenues generated from these activities to pay for public schools.

Thank you for your timely consideration on this matter.

With warm regards, I am

Sincerely,

Ranking Democratic Member

http://www.fesourcescommittee.heuse.gov

NICK J. RÄHALL, II

Rahail letter September 2 2003.max